

AMENDED IN ASSEMBLY APRIL 23, 2009

AMENDED IN ASSEMBLY APRIL 13, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 331

Introduced by Assembly Member Hall

(Coauthors: Assembly Members Fuentes, Gilmore, and Portantino)

February 18, 2009

An act to add Section 1940.95 to the Civil Code, relating to real property.

LEGISLATIVE COUNSEL'S DIGEST

AB 331, as amended, Hall. Hiring of real property.

Existing law contains various provisions regulating the hiring of real property, as specified.

This bill would require the landlord, at the time of the execution of the rental agreement of a single-family dwelling unit, to disclose in writing if the property is subject to any outstanding notice of default, pending suit to foreclose a mortgage, pending declaration of forfeiture, or any pending proceeding to foreclose a tax lien, as specified. This bill would allow the tenant to recover twice the actual damages or twice the monthly rent, whichever is greater, and all prepaid rent, if the tenancy terminates, as provided. ~~This bill would also provide that a property manager shall not be liable under these provisions if he or she had no knowledge, as provided.~~

The provisions of this bill would not apply to premises managed by a court appointed receiver.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 1940.95 is added to the Civil Code, to read:

1940.95. (a) If at the time of the execution of a rental agreement of a single-family dwelling unit the premises are subject to any of the following circumstances, the landlord shall disclose that circumstance to the tenant in writing before the execution of the rental agreement:

(1) Any outstanding notice of default under a trust deed, mortgage, or contract of sale, or notice of trustee's sale under a trust deed.

(2) Any pending suit to foreclose a mortgage, trust deed, or vendor's lien under a contract of sale.

(3) Any pending declaration of forfeiture or suit for specific performance of a contract of sale.

(4) Any pending proceeding to foreclose a tax lien.

(b) If the tenancy terminates as a result of a circumstance that the landlord failed to disclose as required by subdivision (a), the tenant may recover *from the landlord* twice the actual damages or twice the monthly rent, whichever is greater, and all prepaid rent, in addition to any other remedy that the law may provide.

(c) This section shall not apply to premises managed by a court appointed receiver.

~~(d) A property manager shall not be liable for damages under this section if the property manager had no knowledge of the circumstances that gave rise to a duty to disclose under subdivision (a).~~